

BRIEFING WORKSHOP – SHORT TERM RENTALS

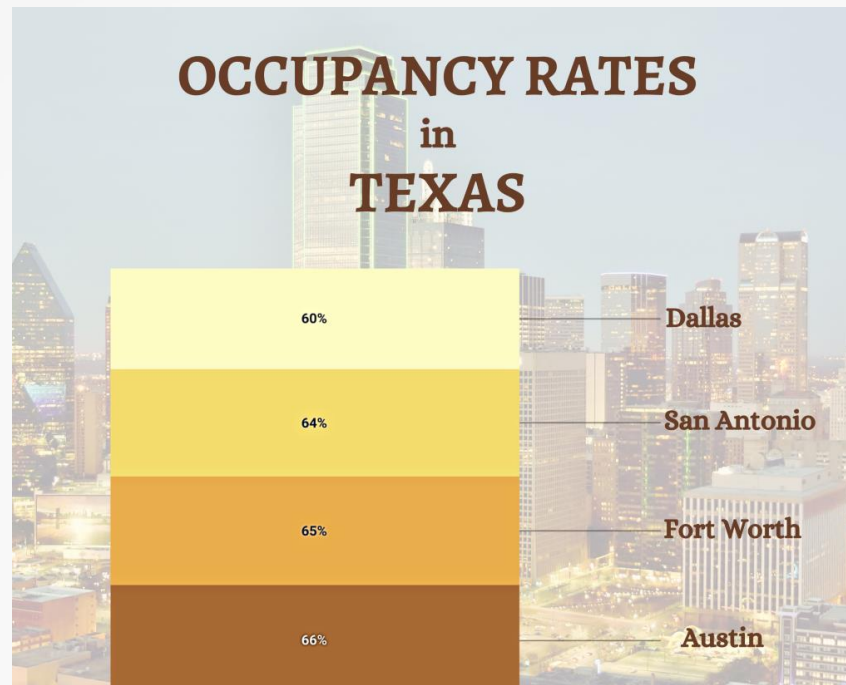
What is a Short-Term Rental (STR)?

- A structure that is rented for a period of less than 30 consecutive days for residential occupancy.
- STRs do not include:
 - Bed & Breakfast
 - Hotels
 - Special Event Venues

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STR FAQ

- Peak Season in Texas = May to July, average 51% occupancy rate
- Average Daily Cost in Texas = \$159 for private rooms, \$217 for studio type rooms
- Highest Occupancy Rate in Texas = **Austin!**
- Available listings across the US is forecasted to increase.



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US Short-Term Rental Historical Performance and Forecast

	2019	2020	2021	2022F	2023F
Available Listings	1,175,437	1,042,849	1,059,541	1,227,681	1,387,104
Listings % Change	10.8%	-11.5%	1.6%	20.6%	8.6%
Demand % Change	21%	-16.2%	21.3%	20.3%	5.7%
Occupancy	53.5%	53.2%	60.7%	58.2%	57.4%
ADR	\$214.30	\$232.79	\$260.97	\$277.53	\$286.91
ADR % Change	1.4%	9.1%	12.1%	6.3%	3.4%
RevPAR	\$114.08	\$123.92	\$158.35	\$161.64	\$164.57
RevPAR % Change	3.8%	8.6%	27.8%	2.1%	1.8%

Source: AirDNA 2022 Mid-Year U.S. Short-Term Rental Outlook Report Update, July 2022



Austin's Ever-Growing Short-Term Rental Market

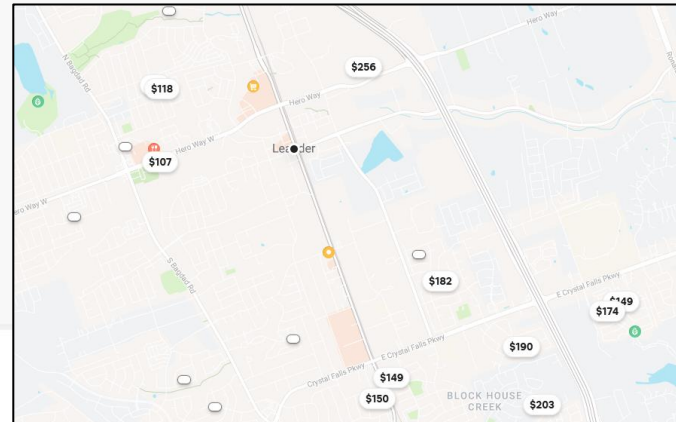
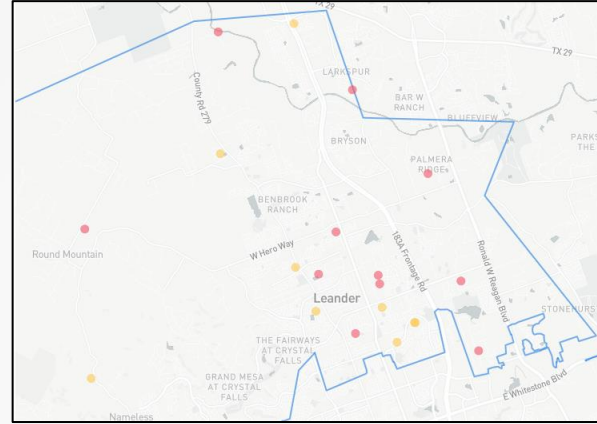


STR Demand Shows No Signs of Slowing Down in This Thriving Market

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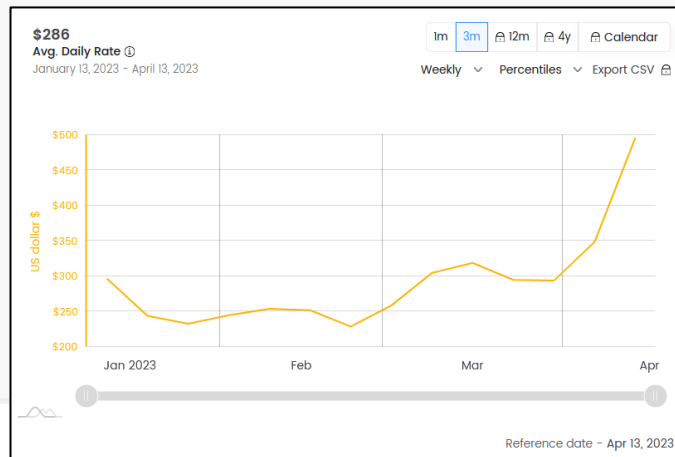
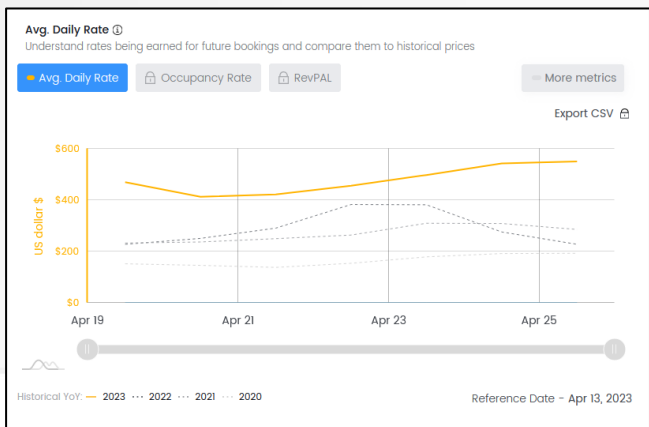
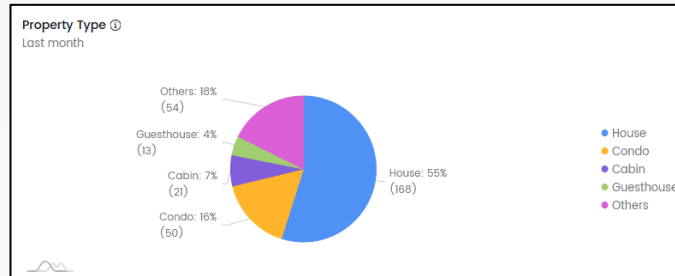
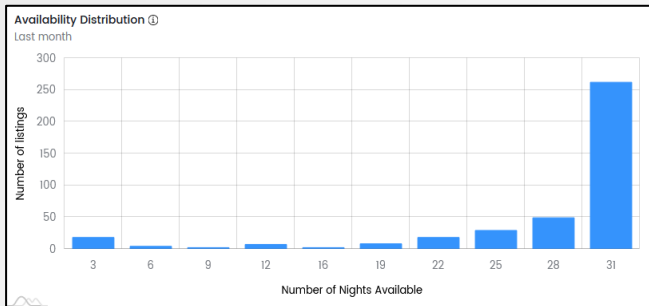
STR FAQ

- STRs exist in Leander
- STRs are required to pay Hotel Occupancy Tax (HOT)
- STRs are not currently paying HOT in Leander
- +/-50 Existing STRs per 3rd Party Research (2022)



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STR STATISTICS

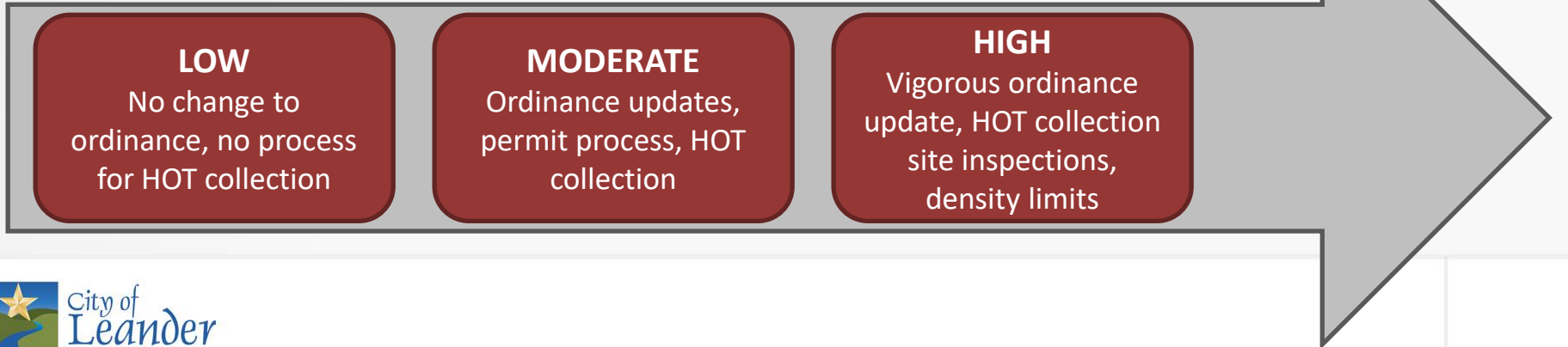


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Why regulate Short Term Rentals?



Regulation Options



BRIEFING WORKSHOP - STR

Staff Recommendation – Moderate

- Ordinance Updates
 - Allow STR in all districts by right except for residential districts.
 - Allow STR in residential districts when the property has a homestead exemption
 - Establish an Entertainment Overlay
 - Engage a 3rd Party for STR Tracking Software
 - Property Owners interested in a 24/7 STR are required to request a special use permit.
 - Require permits for STRs
 - Informational Brochure for visitors

Allows homeowners to rent out structure without creating a business

- Homeowner has a vested interest in the upkeep of the property

Allows property owner to request STR

- Includes public process with neighbors
- Creates a SUP that has a time limit